

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	CASE NO. 90-078-C
PHELPS GAS COMPANY, INC.)	

O R D E R

On August 8, 1991, Phelps Gas Company, Inc. ("Phelps") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas of Kentucky, Inc. ("Columbia"), effective September 1, 1991, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission. On August 30, 1991, the Commission suspended Phelps' proposed rates for five months, beginning September 1, 1991, in order to investigate the reasonableness of the proposed increase. Phelps' proposed increase was based upon Columbia's filing of August 1, 1991 in Case No. 90-063-B¹ which was also suspended for five months beginning September 1, 1991.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

¹ Case No. 90-063-B, Notice of Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc., Order dated August 22, 1991.

1. On September 4, 1991, Columbia filed decreased rates in Case No. 90-063-B² to be effective September 1, 1991, which were approved on an interim basis by Order dated October 17, 1991.

2. Phelps' filing should be revised to pass on the revised wholesale decrease in price from its supplier in the amount of \$1,708 or 12.04 cents per Mcf.

3. Columbia's rates were effective September 1, 1991. The effective date for Phelps' decrease should be on and after September 1, 1991. Columbia's rates are subject to refund; hence, Phelps' rates should be subject to refund.

4. Phelps should file with this Commission the amount of any over-collections received from September 1, 1991 to the date the approved rates are implemented, along with a refund plan.

5. The revised adjustment in Phelps' rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 90-078 dated December 7, 1990 is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after September 1, 1991, subject to refund.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after September 1, 1991, subject to refund.


² Case No. 90-063-B, Notice of Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc., Order dated October 17, 1991.

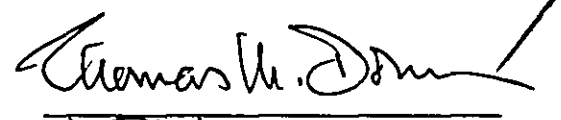
2. Within 30 days of the date of this Order, Phelps shall file with this Commission its revised tariffs setting out the rates authorized herein.

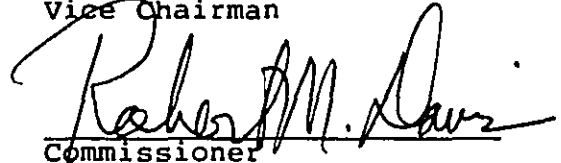
3. Within 30 days of the date of this Order, Phelps shall file the amount of excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 30th day of January, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 90-078-C DATED 1/30/92

The following rates are prescribed for the customers served by Phelps Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

RATES:

Monthly

First 1 Mcf	\$8.1319 Minimum Bill
Over 1 Mcf	6.5018 Per Mcf
Minimum Bill	\$8.13

The base rate for the future application of the purchased gas adjustment clause of Phelps Gas Company, Inc. shall be:

Commodity

Columbia Gas of Kentucky, Inc.	\$3.7348 per Mcf
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